

BUSINESS IMPACT

On May 4, 2000, USEPA promulgated revisions to the public notification requirements [Federal Register 65(87), 25982-26049]. To maintain primacy, California must adopt these revisions, incorporating them into the California Code of Regulations. The proposed regulation package incorporates all the required federal revisions. Public notification requirements govern the form, manner, frequency, and content of public notices that must be provided by drinking water suppliers in order to insure that the public has been informed of water quality standard and treatment technique violations, and failures to monitor water quality, as required.

The net effect of the proposed incorporation of the new federal revisions would be that:

1. Notices would be organized into three tiers for clarity;
2. Public notices would contain the same health effects language that is to be included in Consumer Confidence Reports;
3. Notices would be required under a broader definition of waterborne disease outbreaks and emergencies and for failure to collect a confirmation sample for nitrate;
4. Water systems would be required to notify owners/operators of consecutive systems;
5. Distribution of a violation notice may be limited to the affected portion of the distribution system, if approved by DHS;
6. A certification for initial and repeat notices must be submitted to DHS within 10 days;
7. Water systems would need to consult with DHS related to Tier 1 notices for turbidity limit exceedances;
8. Violations related to the Interim Enhanced Surface Water Treatment Rule and the Disinfection/Disinfection Byproduct Rule would be added to the public notice requirements;
9. Notice of acute violations would be required within 24 hours instead of the existing 72;
10. Existing requirement for newspaper notice within 14 days would be changed to within 30 to 90 days, depending on DHS review;
11. Repeat notice frequency may be extended to annual, if approved by DHS;
12. Availability of unregulated chemical monitoring results required to be noticed;
13. Water systems must provide new customers with copies of all notices for outstanding violations or situations;
14. Additional details required in notice;
15. Standard language for monitoring and testing procedure violations; and
16. To inform non-English speaking consumers about notice import, a sentence in the appropriate language is to be included in the notice under the same circumstances as specified in the Consumer Confidence Report requirements.

With the exception of effects 5 and 11, all the effects above would result in insignificant or

no fiscal impact; the two exceptions may result in some savings for affected systems.

The Department has determined that the proposed regulations would not have a significant adverse impact on businesses, including the ability of California businesses to compete with businesses in other states.

The Department has determined that the regulations will not significantly affect the following:

1. The creation or elimination of jobs within the State of California. The requirements summarized above should not have any affect in this area in that there would not be any change in water system or regulatory personnel needed for compliance with the proposed requirements.
2. The creation of new businesses or the elimination of existing businesses within the State of California. The nature of the water industry is such that the proposed regulation will not result in the creation or elimination of water systems. The impact of these regulations will be insignificant.
3. The expansion of businesses currently doing business within the State of California. Since water system size is basically a function of the number of service connections (consumers) served, the proposed regulations should not have any affect on expansion.

The Department has determined that the proposed regulations would not affect small business, since Government Code Chapter 3.5, Article 2, Section 11342.610 excludes drinking water utilities from the definition of small business.

ALTERNATIVES CONSIDERED

The Department has determined that no alternative considered by the Department would be more effective in carrying out the purpose for which the amendments to the regulations are being proposed or would be as effective and less burdensome to affected private persons.

LOCAL MANDATE DETERMINATION

The proposed regulation would not impose a mandate on local agencies that requires state reimbursement. Local agencies should not incur costs as a result of this regulation. However, if they were to incur costs, those costs would be of the following nature:

First, some local agencies would incur costs in their operation of public water systems. These costs would not be the result of a “new program or higher level of service” within the meaning of Article XIII B, Section 6 of the California Constitution because they apply generally to all individuals and entities that operate public water systems in California and do not impose unique requirements on local governments. Therefore, no state reimbursement of these costs would be required.

Second, some local agencies could incur additional costs in discharging their responsibility to enforce the new regulations for the small public water systems (under 200 service connections) that they regulate. However, the Department has determined that any increase in the local agency costs resulting from enforcing this regulation would be insignificant. Furthermore, local agencies are authorized to assess fees to pay reasonable expenses incurred in enforcing statutes and regulations related to small public water systems, Health and Safety Code Section 101325. Therefore, no reimbursement of any incidental costs to local agencies in enforcing this regulation would be required, Government Code Section 17556(d).